



OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON DC 20301-3000

22 NOV 1996

MEMORANDUM FOR THE CIVIL ENGINEER, USAF

SUBJECT: Use of BRAC Funds for Housing Privatization (Your Memo, 12 Sep 96)

We have been informed by OSD General Counsel that the Department of Defense does not have authority to transfer BRAC funds to the Family Housing Improvement Fund. Because use of the new housing privatization authorities may only be funded out of the Family Housing Improvement Fund, this lack of authority currently precludes using the Military Housing Privatization Initiative (MHPI) with BRAC housing projects.

The Department of Defense attempted to remedy this unintended limitation by inserting language during the FY 97 DoD Appropriations Bill during Conference hearings to allow transfer of BRAC funds into the account but was unsuccessful in amending the bill. Therefore, at this time, BRAC funds may not be used for housing privatization.

This office currently has no legislative revisions proposed to the appropriation legislation to remove this limitation.

A handwritten signature in black ink, appearing to read "Robert L. Meyer", is positioned above the printed name.

Robert L. Meyer
Director, Housing Revitalization Support
Office

